



Saskatchewan
Finance

Revenue Division
2350 Albert Street
Regina, Sask.
S4P 4A6

Information Bulletin

March 26, 1999

No: TT-2

TO: LICENSED IMPORTERS OF TOBACCO PRODUCTS

RE: TAX RATE CHANGES UNDER THE TOBACCO TAX ACT, 1998

As a result of the March 26, 1999 budget, the following changes apply to the rates of tax on tobacco effective March 27, 1999.

<u>PRODUCT</u>	<u>NEW TAX RATE</u>	<u>PREVIOUS TAX RATE</u>
Cigarettes and Tobacco Sticks:		
Individual	8.6¢	8.4¢
Carton (200)	\$17.20	\$16.80
Other Tobacco:	5.7¢ per gram	5.5¢ per gram
Cigars: Retail Selling Price (RSP)		
The tax rate is unchanged.	95% RSP max. \$2.50/cigar	95% RSP max. \$2.50/cigar

The increase in the Tobacco Tax rates will offset the loss in revenue, as a result of reducing the Education and Health Tax rate applied to tobacco products, from 7% to 6%, effective March 27, 1999.

Please adjust the tax on your inventory of tobacco products that are marked for sale in Saskatchewan, including orders filled but not shipped, as of the close of business on March 26, 1999. In addition, the tax on shipments in transit from suppliers must be revised according to the above schedule.

Please complete an inventory declaration form (copy attached) for each of your wholesale and cash and carry outlets and submit it along with your remittance, by April 20, 1999.

If further information is required, please phone 1-800-667-6102 (extension 1795) or write to the above address.

INVENTORY DECLARATION OF TOBACCO PRODUCTS

Collector _____ Inventory Taken-Date: _____ Time: _____

Address _____ Type of Operation: _____ Wholesale

Account # _____ _____ Cash & Carry

<u>Location of Stock</u> <u>At Old Tax Rates</u>	<u>Cut Tobacco</u> <u># Grams</u>	<u>Cigarettes and</u> <u>Tobacco Sticks</u> <u>(Individual)</u>
---	--------------------------------------	---

(1) On Hand

- In warehouse

- On shipping floor

(2) In TransitSupplier Invoice #

(3) Total Quantities
(Items 1 + 2)

(4) Tax Rate Increase

_____ 0.2¢

_____ 0.2¢

(5) Total Tax Payable
(Items 3 x 4)

\$ _____

\$ _____

Total From Item 5

= \$ _____

Less Commission (Item 5 x 0.0025)

= \$ (_____)

Tax Remitted

= \$ _____

I hereby certify that, to the best of my knowledge and belief, the information contained in this declaration is correct and all relevant facts have been revealed.

DATE _____ SIGNATURE _____

Please make cheques payable to the Minister of Finance.